

New Data Adjustment

Chapter **4.4**

What is a new data adjustment?	4.4-1
What is new data?	4.4-1
What if the new data is correct?	4.4-1
Which schools are eligible to submit a new data adjustment?	4.4-2
What benefit will a school gain from submitting a new data adjustment?	4.4-3
What roles do the Department and data managers have in a school's new data adjustment?	4.4-3
How does a school submit new data adjustment allegations to a data manager?	4.4-4
How does a school identify the data manager of a loan?	4.4-8
How does a data manager respond to a school's new data adjustment allegations?	4.4-8
Which Department address does a data manager use for submitting a copy of its new data adjustment allegations response?	4.4-12
What does a school do with the data manager's new data adjustment allegations response?	4.4-14
Which Department address does a school use for submitting a new data adjustment?	4.4-16
What happens after the school submits the new data adjustment?	4.4-16

New Data Adjustment

What is a new data adjustment?

A new data adjustment allows a school to challenge the accuracy of “new data” included in the school’s most recent official cohort default rate.

Figure 4.4.1 shows the time frame for submitting a new data adjustment.

What is new data?

New data occurs when loan data reported to the National Student Loan Data System (NSLDS) changes during the period between the calculation of the draft and official cohort default rates. NSLDS is continuously provided with new or updated information. Because the draft cohort default rates are calculated approximately six months before the official cohort default rates are calculated, the data used to calculate the draft cohort default rates may be different from the data used to calculate the official cohort default rates.

New data can be identified by comparing the loan record detail reports for the draft and official cohort default rates for the same cohort fiscal year and determining if any loan data is newly included, excluded, or changed in any manner. The school should then determine if the new data results in the loan data being reported incorrectly.

The following are examples of new data:

- ❖ A loan is included in a school’s draft cohort default rate calculation but is not included in its official cohort default rate calculation.
- ❖ A loan is included in a school’s draft cohort default rate calculation as a non-defaulted loan but is included in its official cohort default rate calculation as a defaulted loan.

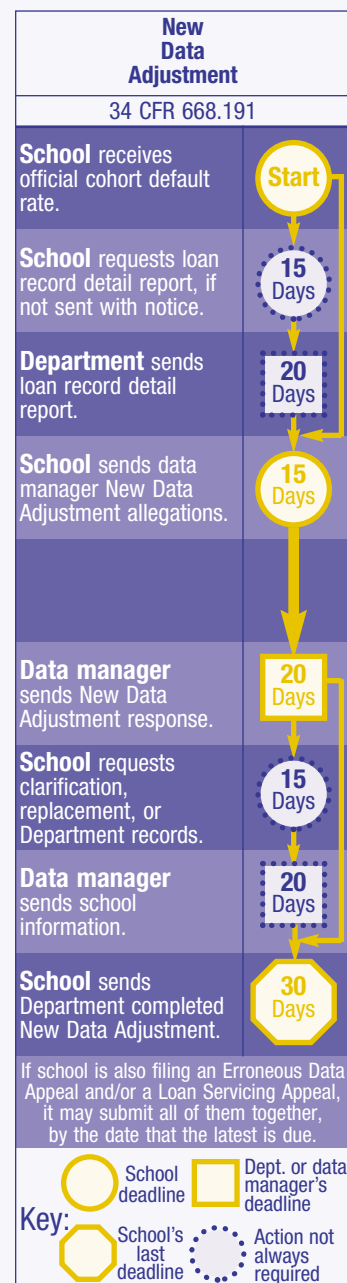
What if the new data is correct?

If the new data in the loan record detail report for the official cohort default rates is correct, a school cannot submit a new data adjustment. A school can only submit a new data adjustment when the new data is incorrect. Therefore, for the purposes of the remainder of this chapter, any mention of “new data” refers to “new incorrect data.”

34 CFR 668.191

Figure 4.4.1

Time Frame for Submitting a New Data Adjustment



A school that is subject to sanction should not submit a new data adjustment

Which schools are eligible to submit a new data adjustment?

Any school that receives an official cohort default rate may request that the U.S. Department of Education's (the Department's) Default Management adjust its cohort default rate. This includes schools that are not subject to sanction and schools that have withdrawn from the Federal Family Education Loan (FFEL) and/or William D. Ford Federal Direct Loan (Direct Loan) programs. A school can only request an adjustment of its most recent official cohort default rate.

The school begins the process by asking the data manager responsible for the loan to review the school's new data adjustment allegations. If the data manager agrees with the school's new data adjustment allegations, the school then submits a new data adjustment to Default Management. However, if the data manager does not agree with the school, the school may not submit a new data adjustment to Default Management.

A school that is subject to sanction should not submit a new data adjustment. Rather, a school subject to sanction should submit an erroneous data appeal because the school can appeal a data manager's adverse ruling on an erroneous data appeal to Default Management. For more information on erroneous data appeals, see Chapter 4.5, "Erroneous Data Appeal."

A school should submit a new data adjustment if

- ❖ a loan on the loan record detail report for the official cohort default rates is newly included, excluded, or changed in some manner when compared to the loan record detail report for the draft cohort default rates, and
- ❖ the school believes the loan is being incorrectly used in the official cohort default rate calculation.

If the loan data is reported in the same manner in the loan record detail report for the draft and official cohort default rates, the school may not submit a new data adjustment.

If a school does not submit a new data adjustment after the release of the official cohort default rates, the school will not have the opportunity to submit a new data adjustment at a later time.

What benefit will a school gain from submitting a new data adjustment?

If, as a result of a new data adjustment (or as the result of a school's submission of any adjustment or appeal), Default Management determines that a school's official cohort default rate calculation data is incorrect, Default Management will recalculate the cohort default rate using the corrected data. This may lower, raise, or not affect the cohort default rate. If the school is subject to sanction and the cohort default rate is lowered below the sanction level, the school is no longer subject to that sanction. In addition, a school that would otherwise be subject to sanction in a later year may avoid being subject to that sanction.

However, even though Default Management may revise a cohort default rate, subsequent copies of the loan record detail report for the official cohort default rates will not reflect the change. Therefore, it is important for a school to keep a copy of Default Management's final determination letter as the official record of the school's revised cohort default rate.

What roles do the Department and data managers have in a school's new data adjustment?

A data manager is required to review a school's new data adjustment allegations if the new data adjustment allegations are submitted in a timely manner and the data manager has responsibility for the loans. If a school submits new data adjustment allegations to the wrong entity, the new data adjustment allegations will not be reviewed and the school could miss the deadline. The guarantor/servicer code on the loan record detail report identifies the data manager for a loan. See Chapter 2.3, "Loan Record Detail Report," for information on determining the data manager for a loan.

The data manager must respond to the school's new data adjustment allegations within 20 calendar days of receipt. However, the data manager must not review new data adjustment allegations if the school did not send the new data adjustment allegations within the 15-calendar-day time frame. If the data manager does not respond within 20 calendar days, the school should advise Default Management in writing of the delay.

The Department has two roles in the new data adjustment process. The primary role is to review a school's new data adjustment, which is submitted to Default Management once the school has received confirmation from the data manager that a change to the data is warranted. If the data manager indicates that a change is not warranted, the school cannot submit those new data adjustment

allegations to Default Management as a part of a new data adjustment. If Default Management determines that the data manager correctly agreed that changes are warranted to the new data identified by the school, Default Management will recalculate the school's cohort default rate based on the correct data and notify the school.

The Department's other role is to respond to a school's new data adjustment allegations if the Department is the data manager for the loans. The Department is the data manager for FFELs the Department holds and for all Direct Loans.

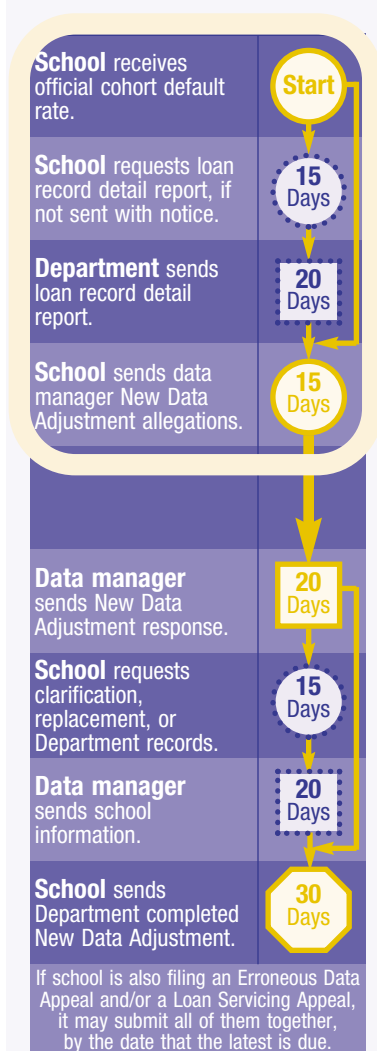
Default Management is responsible for responding to a school's new data adjustment allegations for FFELs that the Department holds. These loans are primarily identified in the loan record detail report with a guarantor/servicer code of 555. See the "Alphabetical Data Manager Contacts" section of Chapter 2.6, "General Information Tools," for a listing of other codes that identify the Department as the holder of a loan.

The Department's Direct Loan servicer is responsible for responding to a school's new data adjustment allegations regarding all Direct Loans, even those that are in default. These loans are identified in the loan record detail report with a guarantor/servicer code of 0101.

How does a school submit new data adjustment allegations to a data manager?

Timing is critical when submitting a new data adjustment. A school begins the process by submitting new data adjustment allegations to the data manager responsible for a loan within 15 calendar days of receiving the loan record detail report for the official cohort default rates. Chapter 3.1, "School Strategies," outlines a method a school can follow to determine if the loan record detail report contains inaccurate data. The "Incorrect Data Challenge, New Data Adjustment, and Erroneous Data Appeal Tools" section of Chapter 4.11, "Challenge, Adjustment, and Appeal Tools," lists examples of new data adjustment allegations a school may submit as a part of a new data adjustment.

If a school does not receive a loan record detail report for the official cohort default rates, and the school believes it may have grounds for a new data adjustment, it must request the loan record detail report for the official cohort default rates within 15 calendar days of receiving the official cohort default rate notification letter. See Chapter 2.3, "Loan Record Detail Report," for information on requesting a loan record detail report for the official cohort default rates.



Upon receiving the loan record detail report for the official cohort default rates, a school should compare the loan record detail reports for the draft and official cohort default rates to determine if any loan data has changed between the loan record detail reports and, if so, whether the changes result in the loan being reported incorrectly. If the school believes the loan record detail report for the official cohort default rates contains new and inaccurate data, it should submit a new data adjustment.

As mentioned, a school that is subject to sanction should not submit a new data adjustment. Rather, a school subject to sanction should submit an erroneous data appeal because the school can appeal a data manager's adverse ruling on an erroneous data appeal to Default Management.

A school must list separate new data adjustment allegations for each loan record that the school believes contains new data. If one data manager is responsible for all the loans, the school must list all the allegations in one submission. However, if there are multiple data managers involved, the school must submit separate new data adjustment allegations to each data manager. For example, a school believes the loan record detail report contains three loans with new data. Two of the loans are held by one data manager; the other loan is held by a different data manager. The school must prepare two separate new data adjustment allegations packages, one for each data manager, listing only the loans held by each data manager.

The materials must include the following items:

- ❖ A new data adjustment allegations spreadsheet that lists the new data reflected on the loan record detail report.

Figure 4.4.2 is a sample school new data adjustment allegations spreadsheet to a data manager. Instructions for creating and

Figure 4.4.2

Sample School
New Data Adjustment
Allegations Spreadsheet
to Data Manager

Type: New Data Adjustment
Cohort FY: 2001
From: Coralville College
Code: 098998
To: State Guaranty Agency
Code: 111

Number of Borrowers: 2
Number of Loans: 3

	A	B	C	D	E	F	G	H	I	J	K
1	Borrower's SSN	Borrower's Name	Type of Loans	Number of Loans	Earlier of LDA or LTH	Date Entered Repayment	CPD, DD, ICRD, or N/A	Cohort FY(s)	Effect on Calculation	Comments	Agree/ Disagree
2	888-88-8888	Loman, Connie	SF	1	07/15/2000	01/16/2001	N/A	FY 2001	+D	N/A	N/A
3	999-99-9999	Petrie, Kristy	SF	2	05/17/1998	11/18/1999	09/15/2001	FY 2001 FY 2000	- B +B	N/A	N/A
4											

Date 10/17/2003

Page 1 of 1

completing the spreadsheet are in the “Spreadsheet Tools” section of Chapter 4.11, “Challenge, Adjustment, and Appeal Tools.”

- ❖ Copies of the appropriate pages from the relevant loan record detail report(s) to demonstrate that the loans are new data.

The “Incorrect Data Challenge, New Data Adjustment, and Erroneous Data Appeal Tools” section of Chapter 4.11, “Challenge, Adjustment, and Appeal Tools,” lists examples of the loan record detail report pages a school should submit as a part of a new data adjustment.

- ❖ Copies of relevant supporting documentation.

The “Incorrect Data Challenge, New Data Adjustment, and Erroneous Data Appeal Tools” section of Chapter 4.11, “Challenge, Adjustment, and Appeal Tools,” contains examples of the type of supporting documentation a school must submit to support a new data adjustment allegation.

- ❖ A letter on the school’s letterhead.

The letter must include the school’s OPE ID number, a statement indicating that the school is submitting new data adjustment allegations, and the cohort fiscal year to which the new data adjustment allegations apply. The letter must feature a subject line that reads “Subject: Cohort FY [insert cohort fiscal year being used in the new data adjustment] New Data Adjustment Allegations.” The letter must also include a certification sentence that the information provided is true and correct under penalty of perjury and a notation that the school is sending a copy of the letter and the spreadsheet to Default Management. The school’s President/CEO/Owner must sign the letter, and the signature must be followed by a signature block showing the signer’s name and job title. Figure 4.4.3 is a sample school new data adjustment allegations letter to a data manager.

**Figure 4.4.3 - Sample School New Data Adjustment
Allegations Letter to Data Manager**



Coralville College
5029 Greta Avenue
Coral City, Iowa 12345-5029
1-987-654-3211

October 17, 2003

ATTN: Lesa Neiers
Compliance Officer
State Guaranty Agency
132 Ocean Front Road
Black Diamond Bay, Nebraska 13213-0132

OPE ID 098998

Subject: Cohort FY 2001 New Data Adjustment Allegations

Dear Ms. Neiers:

Coralville College, OPE ID 098998, is submitting a list of new data adjustment allegations for cohort FY 2001 for review by State Guaranty Agency. Please see the enclosed spreadsheet, relevant pages from the loan record detail report for the draft and official cohort default rates, and supporting documentation.

I, the undersigned, certify under penalty of perjury that all information submitted in support of this new data adjustment is true and correct.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads 'Serena Rooney'.

Serena Rooney
President, Coralville College

Enclosures

cc: U.S. Department of Education,
Default Management

The school must send a copy of the letter and the new data adjustment allegations spreadsheet to Default Management at the same time it sends the new data adjustment allegations package to the data manager. The school does not need to send the pages of the loan record detail reports or the relevant supporting documentation to Default Management at that time unless the school is making new data adjustment allegations about a FFEL that the Department holds.

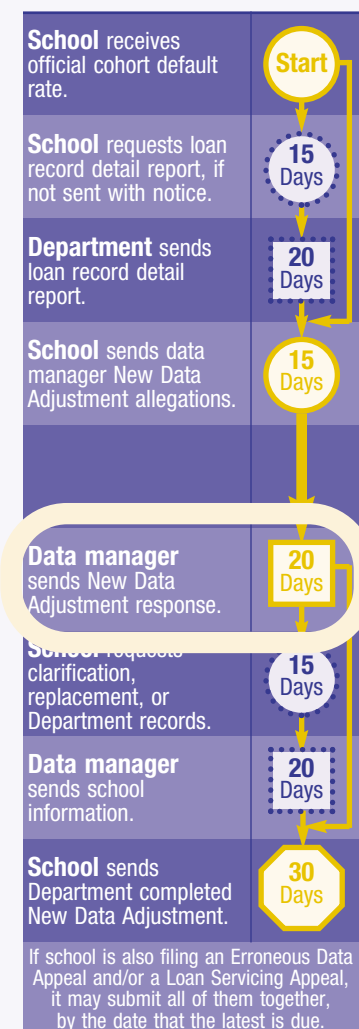
Default Management recommends that a school send all new data adjustment correspondence return receipt requested or via commercial overnight mail/courier delivery. This will be useful to a school if it is asked to authenticate the timeliness of its submission. A school should maintain the documentation which verifies the receipt of the materials as well as all electronic and hardcopy documentation submitted as a part of the new data adjustment process. If a school does not meet the 15-calendar-day time frame for submitting new data adjustment allegations, the new data adjustment allegations will not be reviewed.

How does a school identify the data manager of a loan?

The guarantor/servicer code on the loan record detail report shows the data manager responsible for a loan. A school can use this number to obtain the name and address of the data manager. See the "Numerical Data Manager Contacts" section in Chapter 2.6, "General Information Tools," for a listing of data manager codes and addresses.

How does a data manager respond to a school's new data adjustment allegations?

Timing is critical when responding to a school's new data adjustment allegations. A data manager is required to respond to a school's timely submitted new data adjustment allegations for those loans for which the entity is the data manager and send a copy of the response to Default Management. However, the data manager must not review new data adjustment allegations if the 15-calendar-day time frame for a school to submit new data adjustment allegations has expired. If the school's due date falls on a weekend or a federal holiday, a school may send its new data adjustment allegations to the data manager no later than the next federal business day.



Before denying a school's new data adjustment allegations on the basis of a late submission, a data manager should verify the actual date the school received its hardcopy loan record detail report for the official cohort default rates from Default Management. If the school did not submit the new data adjustment allegations in a timely manner, the data manager must not review any part of the submission. In its response to the school, the data manager should explain that it is unable to review the new data adjustment allegations because the school missed the regulatory deadline. The data manager must also send a copy of the response to Default Management.

The data manager must respond to timely submitted new data adjustment allegations within 20 calendar days of receiving the submission. In its new data adjustment allegations response, the data manager will address each of the school's timely submitted new data adjustment allegations. If the data manager does not respond within 20 calendar days, the school should advise Default Management in writing of the delay.

If the new data adjustment submission is timely, a data manager must review each new data adjustment allegation submitted by the school. The data manager should determine the following:

- ❖ The data manager should determine if the new data adjustment allegations presented by the school are based on loans that the data manager currently holds.

If the data manager does not hold the loans, the data manager should notify the school and Default Management that the new data adjustment allegations must be submitted to the appropriate data manager and remind the school that the new data adjustment allegations must be submitted to the appropriate data manager within 15 calendar days of the school's receipt of its loan record detail report for the official cohort default rates.

There will be some instances where the data manager was the former holder of the loans but those loans have been assigned to the Department and the loan record detail report for the official cohort default rates does not yet reflect the assignment. In that event, the data manager should send the school and Default Management a notice stating that the loans have been assigned to the Department. The school then has until 15 calendar days after receipt of the letter from the data manager to submit the new data adjustment allegations to Default Management.

- ❖ The data manager should determine if all relevant material is present.

See the section of this chapter entitled “How does a school submit new data adjustment allegations to a data manager?” for information on the materials a school is required to submit with its incorrect data challenge. If a school fails to provide the data manager with all of the necessary information, the data manager must ask the school to submit the missing information. However, the school must submit this additional information to the data manager within the initial 15-calendar-day deadline for submitting new data adjustment allegations. If the school does not submit the additional information within the deadline, the data manager must not review the new data adjustment allegation.

- ❖ The data manager should determine if its documentation supports or refutes each of the new data adjustment allegations listed on the school’s spreadsheet.

The data manager should agree with the school if the data manager’s documentation supports the school’s claim or if the school has demonstrated that the data manager has failed to take into account correct information the school timely sent to the data manager or NSLDS.

The data manager should disagree with the school if the data manager’s documentation refutes the school’s claim or if the school failed to demonstrate that the correct information was timely submitted to the data manager or NSLDS. The data manager must explain to the school why it disagrees with the school and send the school a copy of the data manager’s supporting documentation. The data manager must send a copy of the response and the supporting documentation to Default Management.

After making its determinations, the data manager must compile a list of the data manager’s responses to the school’s list of new data adjustment allegations. The data manager must record the responses to each of the new data adjustment allegations on a new data adjustment allegations response spreadsheet and provide comments on why the data manager agrees or disagrees with each of the school’s new data adjustment allegations. If the data manager agrees that a change should be made, it must correct the data in its internal data system and in NSLDS. Before the release of the draft cohort default rates, the data manager must ensure that the changes they agreed to make were successfully loaded into NSLDS. The data manager should check the NSLDS error report.

The data manager must provide supporting documentation if the data manager disagrees with the school's new data adjustment allegations. In addition, if the data manager's response indicates that a loan has been repurchased, the data manager should provide the original claim paid date, the repurchase date, the reason the loan was repurchased, and the default date if any subsequent claim was filed.

The data manager new data adjustment allegations response should include the following:

- ❖ A spreadsheet of the data manager's responses to the school's list of new data adjustment allegations.

Figure 4.4.4 is a sample data manager new data adjustment allegations response spreadsheet to a school. The instructions for creating and completing the spreadsheet are in the "Spreadsheet Tools" section of Chapter 4.11, "Challenge, Adjustment, and Appeal Tools."

Figure 4.4.4

Sample Data Manager
New Data Adjustment
Allegations Response
Spreadsheet to School

Type: New Data Adjustment
Cohort FY: 2001
From: State Guaranty Agency
Code: 111
To: Coralville College
Code: 098998

Number of Borrowers: 2
Number of Loans: 3

	A	B	C	D	E	F	G	H	I	J	K
1	Borrower's SSN	Borrower's Name	Type of Loans	Number of Loans	Earlier of LDA or LTH	Date Entered Repayment	CPD, DD, ICRD, or N/A	Cohort FY(s)	Effect on Calculation	Comments	Agree/Disagree
2	888-88-8888	Loman, Connie	SF	1	07/15/2000	01/16/2001	N/A	FY 2001	+D	School submitted enrollment status change on 07/31/2000	Agree
3	999-99-9999	Petrie, Kristy	SF	2	04/12/2000	10/13/2000	08/15/2001	FY 2001	No change	School submitted enrollment status change on 02/20/2001; untimely	Disagree
4											

Date 10/31/2003

Page 1 of 1

- ❖ Copies of supporting documentation for each new data adjustment allegation with which the data manager disagreed.
- ❖ A letter on the data manager's letterhead with the school's name and OPE ID number.

The letter must indicate that the data manager is responding to the school's new data adjustment allegations and include the cohort fiscal year to which the response applies. The letter must feature a subject line that reads "Subject: Cohort FY [insert cohort fiscal year being used in the new data adjustment] New Data Adjustment Allegations Response." The letter must also include a statement that a copy of the new data adjustment

allegations response has been sent to Default Management. The responsible data manager official must sign the letter, and the signature must be followed by a signature block showing the signer's name and job title. Figure 4.4.5 is a sample data manager new data adjustment allegations response letter.

The data manager must send its new data adjustment allegations response within 20 calendar days of receiving the new data adjustment allegations from the school. The data manager sends its new data adjustment allegations response to the school and a copy of the new data adjustment allegations response to Default Management.

If a data manager is unable to respond within 20 calendar days of receiving the school's new data adjustment allegations, it should send the school a letter on its official letterhead explaining the circumstances causing the delay, telling the school when it will respond, and indicating that Default Management has been informed of the delay.

If a data manager can respond to only a portion of a school's new data adjustment allegations within 20 calendar days, it should hold that portion of the response until it can provide a response to all of the school's new data adjustment allegations. The data manager should send a letter to the school and Default Management that provides the information outlined above.

Which Department address does a data manager use for submitting a copy of its new data adjustment allegations response?

See the "Which address does a school or data manager use for submitting challenge, adjustment, or appeal materials to Default Management?" section in Chapter 4.11, "Challenge, Adjustment, and Appeal Tools," for the address for Default Management. A data manager should not send new data adjustment materials to any other addresses at the Department.

Default Management recommends that a data manager send all correspondence return receipt requested or via commercial overnight mail/courier delivery. This will be useful to a data manager if it is asked to authenticate the timeliness of its response. A data manager should maintain the documentation that verifies the receipt of the new data adjustment allegations response as well as all other electronic and hardcopy documentation submitted as a part of the new data adjustment process.

The data manager can use this information when submitting monthly status reports to Default Management. For additional information on monthly status reports, see Chapter 3.2, "Data Manager Strategies."

**Figure 4.4.5 - Sample Data Manager New Data Adjustment
Allegations Response Letter to School**



132 Ocean Front Road
Black Diamond Bay, Nebraska 13213-0132

October 31, 2003

Serena Rooney
President
Coralville College
5029 Greta Avenue
Coral City, Iowa 12345-5029

OPE ID 098998

Subject: Cohort FY 2001 New Data Adjustment Allegations Response

Dear Ms. Rooney:

This is State Guaranty Agency's response to the cohort FY 2001 new data adjustment allegations Coralville College, OPE ID 098998, submitted on October 17, 2003. Please see the enclosed spreadsheet.

For each "Agree" in the "Agree/Disagree" column of the spreadsheet we will update the National Student Loan Data System (NSLDS) and our internal records. You should submit the allegation to Default Management.

For each "Disagree" in the "Agree/Disagree" column of the spreadsheet we have reviewed our records and determined that they do not support the allegation. We have included a comment stating our position and attached copies of the documentation supporting our position. We will not make a change to NSLDS or to our internal records.

Sincerely,

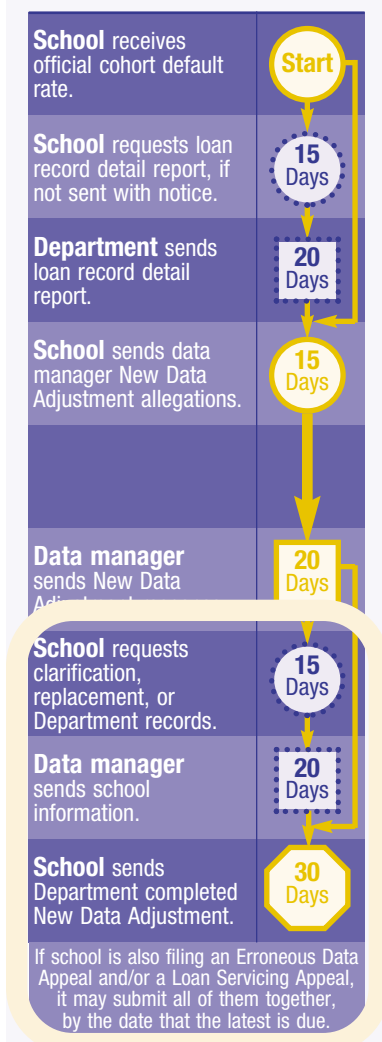
A handwritten signature in cursive script that reads "Yvonne Carter".

Yvonne Carter
CEO

Enclosures

cc: U.S. Department of Education
Default Management

What does a school do with the data manager's new data adjustment allegations response?



Timing is critical after receiving a data manager's new data adjustment allegations response. In those cases where the data manager's new data adjustment allegations response is unclear, incorrect, missing, or incomplete, the school may submit a request to the data manager for a clarification. The school must submit the request to the data manager within 15 calendar days of the receipt of the new data adjustment allegations response. The school should also send a copy of the inquiry letter to Default Management. The data manager must respond to the school's inquiry within 20 calendar days of receiving the inquiry and send a copy of the response to Default Management. A school cannot appeal a data manager's new data adjustment allegations response to Default Management.

Within 30 calendar days of receiving the last response to all of the school's new data adjustment allegations, the school must decide how to proceed and prepare a response to Default Management accordingly. If the response indicates that there is no new data in the school's official cohort default rate calculation, the school can proceed no further and must then notify Default Management that the school is withdrawing the new data adjustment.

If the data manager agrees with any of the school's new data adjustment allegations, the school should submit a new data adjustment to Default Management. Only Default Management can make the recommended changes to the school's cohort default rate.

If the school continues with the new data adjustment, it must submit a new data adjustment to Default Management within 30 calendar days of receiving the last response to the school's new data adjustment allegations with the following exception: If the school is submitting the new data adjustment to Default Management along with a timely erroneous data appeal and/or a timely loan servicing appeal, the school may submit all materials by the later of

- ❖ within 30 calendar days of receipt of the last response to all of the school's **new data adjustment allegations**,
- ❖ within 30 calendar days of receipt of the last response to all of the school's **erroneous data appeal allegations**, or
- ❖ within 30 calendar days of receipt of the last response to all of the school's **requests for loan servicing records**.

If the school does not submit the new data adjustment in a timely manner, Default Management will not review the new data adjustment and will return all new data adjustment materials to the school.

The school must submit to Default Management the following:

- ❖ A spreadsheet that lists the new data adjustment allegations with which the data manager agreed.

Figure 4.4.6 is a sample school new data adjustment spreadsheet to Default Management. Instructions for creating and completing the spreadsheet are in the “Spreadsheet Tools” section of Chapter 4.11, “Challenge, Adjustment, and Appeal Tools.”

Type:	New Data Adjustment	Number of Borrowers:	1
Cohort FY:	2001	Number of Loans:	1
From:	Coralville College		
Code:	098998		
To:	Default Management		
Code:	N/A		

	A	B	C	D	E	F
	Borrower's SSN	Borrower's Name	Type of Loans	Number of Loans	Date Data Manager Agreed	Data Manager Code
1						
2	888-88-8888	Loman, Connie	SF	1	10/31/2003	111
3						
4						

Date 11/15/2003 Page 1 of 1

Figure 4.4.6

Sample School New Data Adjustment Spreadsheet to Default Management

- ❖ Copies of the data manager new data adjustment allegations responses confirming that a change is warranted.
- ❖ A letter on the school's letterhead.

The letter must include the school's OPE ID number, a statement indicating that the school is submitting a new data adjustment, and the cohort fiscal year to which the new data adjustment applies. The letter must feature a subject line that reads "Subject: Cohort FY [insert cohort fiscal year being used in the new data adjustment] New Data Adjustment." The letter must also include a certification that the information provided is true and correct under penalty of perjury, a list of any other adjustments or appeals the school intends to submit to Default Management, and a notation that the school is sending a copy of the letter and the spreadsheet to the data manager(s).

The school's President/CEO/Owner must sign the letter, and the signature must be followed by a signature block showing the signer's name and job title. Figure 4.4.7 is a sample school new data adjustment letter to Default Management.

Which Department address does a school use for submitting a new data adjustment?

See the "Which address does a school or data manager use for submitting challenge, adjustment, or appeal materials to Default Management?" section in Chapter 4.11, "Challenge, Adjustment, and Appeal Tools," for the address for Default Management. A school should not send new data adjustment materials to any other addresses at the Department.

Default Management recommends that a school send all new data adjustment correspondence return receipt requested or via commercial overnight mail/courier delivery. This will be useful to a school if it is asked to authenticate the timeliness of its new data adjustment. A school should maintain the documentation which verifies the receipt of the new data adjustment as well as all electronic and hardcopy documentation submitted as a part of the new data adjustment process. If a school does not meet the 30-calendar-day time frame for submitting a new data adjustment, the new data adjustment will not be reviewed.

What happens after the school submits the new data adjustment?

Default Management will review only the information submitted with the new data adjustment and will not review information submitted after the deadline. Default Management will send the school and each involved data manager written notification of Default Management's decision. The data manager must ensure that NSLDS is correctly updated. The data manager must also ensure that its internal records are correctly updated. Default Management's decision is final and no further administrative review is provided.

If Default Management determines, using the standard of review described in 34 CFR 668.189(f), that a school's cohort default calculation data is incorrect, Default Management will recalculate the cohort default rate based on the corrected data.

If the school was notified that it was subject to sanction and the new data adjustment is successful and the revised cohort default rate is below the sanction level, Default Management will withdraw that sanction notice. If the school was notified that it was subject to sanction and the new data adjustment is unsuccessful (or if the new data adjustment is successful but the revised cohort default rate

**Figure 4.4.7 - Sample School New Data Adjustment
Letter to Default Management**

Coralville College
5029 Greta Avenue
Coral City, Iowa 12345-5029
1-987-654-3211

November 15, 2003

U.S. Department of Education
Default Management
ATTN: New Data Adjustment
400 Maryland Avenue, SW
Washington, DC 20202-5353

OPE ID 098998

Subject: Cohort FY 2001 New Data Adjustment

To Whom It May Concern:

Coralville College, OPE ID 098998, is requesting a new data adjustment to its cohort FY 2001 official cohort default rate. Please see the enclosed spreadsheet and copies of data manager new data adjustment allegation responses for those new data adjustment allegations with which the data managers agreed.

I, the undersigned, certify under penalty of perjury that all information submitted in support of this new data adjustment is true and correct.

Coralville College is not submitting any other adjustments or appeals to Default Management.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads 'Serena Rooney'.

Serena Rooney
President, Coralville College

Enclosures

cc: State Guaranty Agency

remains above the sanction level), and the school has no other outstanding adjustments or appeals, Default Management will notify the school of the effective date of that sanction.

A school that submits an adjustment and/or an appeal but fails to avoid sanctions is liable for certain costs associated with the FFELs it certified and delivered and/or the Direct Loans it originated and disbursed during the adjustment and appeal process. Liabilities are not calculated for loans that were delivered or disbursed more than 45 calendar days after the school submitted its completed adjustment and/or appeal to the Department. Schools may avoid this liability if they choose not to certify or originate loans during the adjustment and appeal process.

School to Data Manager New Data Adjustment Checklist

Determine

- ☐ Does the loan record detail report for the official cohort default rates contain new data? (See page [4.4-1](#))

Submit to Data Manager

- ☐ Spreadsheet (See page [4.4-5](#))
- ☐ Relevant Pages of Loan Record Detail Report (See page [4.4-6](#))
- ☐ Supporting Documentation (See page [4.4-6](#))
- ☐ Letter (See page [4.4-6](#))

Data Manager to School New Data Adjustment Checklist

Determine

- ☐ Was the school submission timely? (See page [4.4-8](#))
- ☐ Does the data manager hold the loans? (See page [4.4-9](#))
- ☐ Is all the material present? (See page [4.4-10](#))
- ☐ Does the data manager agree or disagree with the school? (See page [4.4-10](#))

Response to School

- ☐ Spreadsheet (See page [4.4-11](#))
- ☐ Supporting Documentation (See page [4.4-11](#))
- ☐ Letter (See page [4.4-11](#))

Follow-Up

- ☐ Send copy of response to Default Management (See page [4.4-12](#))
- ☐ Update NSLDS and internal records (if necessary) (See page [4.4-10](#))
- ☐ Send monthly status report to Default Management (See page [4.4-12](#))

School to Default Management New Data Adjustment Checklist

Determine

- ☐ Did the data manager agree with any of the new data adjustment allegations? (See page [4.4-14](#))
- ☐ Does the school have outstanding erroneous data appeal allegations or outstanding requests for loan servicing records? (See page [4.4-14](#))

Submit to Default Management

- ☐ Withdrawal Notice (See page [4.4-14](#))

OR

- ☐ Spreadsheet (See page [4.4-15](#))
- ☐ Copy of Data Manager New Data Adjustment Response (See page [4.4-15](#))
- ☐ Letter (See page [4.4-15](#))